

Exhibit C

MERIT CAPITAL GROUP LLC
545 MADISON AVENUE
SUITE 1600
NEW YORK, NY 10022

Sent by Certified Mail on 11-12-03
Sent by E-mail on 11-12-03
Sent by Facsimile on 11-12-03

MEMORANDUM

To: Mr. Robert Gyemant
Mr. Evan Daniels
Trio Industries Management, LLC

From: Harvey M. Bloch, Partner
Subject: Working Capital Loan
Date: November 12, 2003

This memorandum memorializes the meeting of October 23, 2003 between Robert Gyemant representing TRIO and himself, Evan Daniels representing TRIO and himself, Harvey M. Bloch representing Merit, and Richard Rubin representing the Ruben Family Trust. The meeting was held in Merit's office in New York.


Fact: On July 18, 2002 TRIO hired Merit Capital Group LLC as its exclusive financial consultant. That Financial Services Agreement is terminated as of the day of the meeting, October 23, 2003. Except that section 12(twelve) of the agreement pertaining to termination shall survive as intended by the agreement.

Fact: On June 13, 2003 Merit and TRIO entered into a Loan Agreement. The Loan Agreement remains intact and without modification, supplemental understanding, written or verbal. TRIO acknowledges and agrees that Merit has fully vested its 20% ownership and that an additional 50% ownership as described in the agreement is pledged until the loan is satisfied. TRIO stated



it intends to repurchase the 50% interest on January 1, 2004, as provided by the contract and that the extension provided for in the Agreement is not required by TRIO. TRIO further acknowledged that on its own efforts and without any assistance or consent from Merit or Rubin, it has been raising capital from private sources unknown to Merit or Rubin. As a convenience and to avoid additional cost to TRIO, Merit has allowed TRIO to use the Participation Agreement and the Escrow created by the Participation Agreement to process those monies. With the exception of the Ruben Family Trust, which Merit acknowledges was its contact, TRIO acknowledges that Merit has not provided any information or in any way been instrumental in those other investors investing in TRIO. TRIO will hold harmless and agrees to defend Merit against any action brought by any of those participants in the Participation Agreement other than Ruben Family Trust. Trio further stated and provided verbal assurances that in its effort to raise additional capital, TRIO will not willfully mislead any investors about the ownership structure and that it will not in any manner act to undermine the ownership structure as defined in the Participation Agreement.

Signed,



Harvey M. Bloch
Partner